

## **MINUTES**

### **MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN BOB DEPRATU**, on February 21, 2003 at 9 A.M., in Room 405 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Bob DePratu, Chairman (R)  
Sen. Bob Story Jr., Vice Chairman (R)  
Sen. Jerry W. Black (R)  
Sen. John C. Bohlinger (R)  
Sen. Jon Ellingson (D)  
Sen. Jim Elliott (D)  
Sen. Bill Glaser (R)  
Sen. Dan Harrington (D)  
Sen. Walter McNutt (R)  
Sen. Mike Taylor (R)  
Sen. Ken Toole (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Lee Heiman, Legislative Branch  
Shirley Herrin, Committee Secretary

**Video-taped Committee:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society.

**Committee Business Summary:**

Hearing & Date Posted: SB 433, 2/18/2003  
Executive Action: SB 271

**HEARING ON SB 433**

**Opening Statement by Sponsor:**

9:01       **SEN. DON RYAN, SD 22, Great Falls** "Soft drink tax for funding elder services, medicaid, student assessments". He submitted amendments SB043301.alh **EXHIBIT(tas39a01)** and **EXHIBIT(tas39a02)**

**Proponents' Testimony:**

9:19       Verner Bertelsen, MT Senior Citizens Assoc.  
 9:20       Randy Barrett, Cascade County, Great Falls, read letter from Nadine O'Connell **EXHIBIT(tas39a03)** and submitted two other letters **EXHIBIT(tas39a04)** **EXHIBIT(tas39a05)**  
 9:23       Evelyn Havskjold, Area 10 Agency on Aging Services, **EXHIBIT(tas39a06)** **EXHIBIT(tas39a07)** **EXHIBIT(tas39a08)** **EXHIBIT(tas39a09)**  
 9:28       BeaAnn Melichar, Exec. Dir., Yellowstone County Council on Aging **EXHIBIT(tas39a10)**  
 9:33       Charles Aagenes, Director, Area IV Agency on Aging **EXHIBIT(tas39a11)**  
 9:35       Mary Williams, Volunteer, Capital City Task Force of AARP **EXHIBIT(tas39a12)**  
 9:36       Jim Meldrum, Independent Living  
 9:38       Mona Jamison, Gallatin County  
 9:39       Mary McCue, MT Dental Assoc. **EXHIBIT(tas39a13)**  
 9:42       June Hermanson, Montanans with Disability for Equal Access  
 9:44       Judy Erickson, MT Independent Living  
 9:48       Linda Gryczan, MT Women's Lobby, Fair Share Network **EXHIBIT(tas39a14)**  
 9:49       Sami Butler, RN, MT Nurses Assoc.  
 9:50       Chris Christiaens, MT Chapter NASW

**Opponents' Testimony:**

9:51       Elaine Sliter, MT Soft Drinks Association  
 9:55       Carl Lehrkind III, Lehrkind Coca Cola, Bozeman  
 9:57       Bill Stevens, MT Food Distributors Assoc.  
 10:02      Karen Olson-Beenten, Blue Rock Products Co., Sidney  
 10:05      Randy Olson, Blue Rock Products Co., Sidney  
 10:09      Steve Wade, Kraft Foods  
 10:11      Jim Bennett, Harrington Bottling Co., Butte **EXHIBIT(tas39a15)**  
 10:15      Jim Mech, Harrington Bottling Co. Helena **EXHIBIT(tas39a16)**  
 10:15      Brad Griffin, MT Restaurant Assoc.  
 10:16      Steve Damron, Manager, Missoula/Kalispell Coca Cola  
 10:18      Gene Kretske, Coca Cola of Kalispell  
 10:20      Carl Lehrkind IV, Lehrkind Coca Cola, Bozeman

10:21 Webb Brown, MT Chamber of Commerce, submitted letter  
from Dan Cruson, Safeway, Inc., **EXHIBIT(tas39a17)**  
10:22 Todd Dulaney, Coca Cola of Great Falls  
10:22 Peggy Likens, Helena, Self  
10:23 Bill Dimich, Pepsi Cola Bottling, Billings  
Letter was submitted by Dan Erving **EXHIBIT(tas39a18)**

**Informational Witnesses:**

10:24 Charlie Rehbein, Senior and Long Term Care, Office on  
Aging, Department of Health and Human Services

**Questions from Committee Members and Responses:**

10:25 Begin  
10:54 Ended  
29 min Time elapsed

**Closing by Sponsor:**

10:54 **SEN. RYAN** closed on SB 433. He passed around paper  
plates and napkins signed by people in support of SB  
433.

**CHAIRMAN DE PRATU** called for a short break before entering into  
Executive Action.

11:07 The hearing re-convened.

11:08 **SEN. SAM KITZENBERG** submitted amendments to SB 378,  
**EXHIBIT(tas39a19)** and a letter from Dr. David Barkley,  
**EXHIBIT(tas39a20)** and asked the committee to appoint a  
sub-committee to review the amendments.

**EXECUTIVE ACTION ON SB 271**

**Informational Witnesses:**

Kurt Alme, Director, Dept of Revenue  
Wendy Keating, Director, Dept of Labor  
Brian Wolf, Chief Information Officer, Dept of Admin.

11:17 Kurt Alme, Director, Dept of Revenue, reviewed the  
amendments to SB 271.

**Motion:**

11:21 **SEN. TAYLOR** moved that **SB 271 BE AMENDED** SB027102.alh  
**EXHIBIT(tas39a21)**

**Discussion:**

11:22 Begin

- 11:34 **SEN. JOHN BOHLINGER** stated he had two issues he was concerned about, No. 2 and No. 5 on page 1.
- SEN. MIKE TAYLOR** moved to segregate No. 2 and No. 5. The motion carried with **HARRINGTON** voting aye by proxy. After further discussion concerning No. 9 on page 1, **SEN. TAYLOR** withdrew his motion. **SEN. TAYLOR** then moved **DO PASS** to segregate No. 5 from amendment SB027102.alh, the motion carried.
- 11:43 **SEN. COREY STAPLETON** presented amendment SB027103.alh **EXHIBIT(tas39a22)**. Motion: **SEN. TAYLOR** moved that **SB 271 BE AMENDED** for the purpose of discussion.

**Discussion:**

11:46 Begin  
11:53 Ended  
7 min Time elapsed

**Vote: Motion on the amendment carried 7-3.**

- 11:56 **SEN. JIM ELLIOTT** addressed Kurt Alme, Director, Department of Revenue.
- 11:58 **Vote: Motion that SB 271 DO PASS AS AMENDED** carried **unanimously** with **TOOLE** voting by proxy. Amendments were combined into document SB027104.alh **EXHIBIT(tas39a23)**

**EXECUTIVE ACTION ON SB 378**

11:59 **Motion: SEN. BOHLINGER** moved that **SB 378 BE AMENDED**.

**Discussion:**

12:00 Begin  
12:02 Ended  
2 min Time elapsed

**SEN. BOHLINGER** withdrew his motion as the committee decided they wanted to study the amendments and take action on Tuesday morning.

**ADJOURNMENT**

Adjournment: 12:05 A.M.

---

SEN. BOB DEPRATU, Chairman

---

SHIRLEY HERRIN, Secretary

BD/SH

**EXHIBIT (tas39aad)**